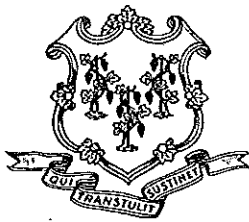


SENATOR MARTIN M. LOONEY

MAJORITY LEADER

Eleventh District  
*New Haven & Hamden*



State of Connecticut

SENATE

State Capitol  
Hartford, Connecticut 06106-1591

132 Fort Hale Road  
New Haven, Connecticut 06512

Home: 203-468-8829

Capitol: 860-240-8600

Toll-free: 1-800-842-1420

[www.SenatorLooney.cga.ct.gov](http://www.SenatorLooney.cga.ct.gov)

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Good afternoon Senator Crisco, Representative Megna and members of the Insurance and Real Estate Committee. I am here to testify in support of SB 410, AN ACT CONCERNING ADVERSE DETERMINATION REVIEWS.

SB 410, would create greater equity for patients who are denied services from managed care organizations, health insurers, or utilization review companies ("insurers") by allowing patients access to the complete record in the case. This is a simple matter of fairness since currently, when one of these organizations denies coverage, the burden of proof in the appeals process is on the provider and the patient to prove that the service, drug, or device is medically necessary. In general, the burden of proof in any case should be placed on the party who has the information. Here, that party is the insurer which is the only party with knowledge as to why a claim was denied.

Ideally, the burden of proof should be switched to create an assumption that medical treatments, drugs, and devices that are ordered by a licensed provider are medically necessary and thus place the burden of proof in its rightful

place- on the insurer that is denying coverage. However, since this change is unlikely, at least we must allow the patients and providers the information they need to appropriately file an appeal. Insurers are not always forthcoming with the records in the case; access to the record would offer the patient and the provider critical information as to how the decision to deny coverage was formulated and thus allow the patient and provider to make the appropriate arguments on appeal.

While requirements in the federal health reform bill (and the conforming changes in PA 11-58) grant access to certain documents used by the insurers, it did not require that the patient be provided with all the documents in the case. PA 11-58 does meet the minimum requirements contained in the Patient Protection and Affordable Care Act. These requirements are, however, a floor not a ceiling; states are free to offer additional patient protections and we should.

This bill would require that the insurer provide all the information to the patient and provider; the patient and provider should not be left guessing as to the reasons for denial. This legislation would allow them a fair chance to present the counter-argument with access to all the appropriate information; it is simply a matter of fairness and equity. If the patient has the burden of proof, the patient

must be given ALL of the available information. Any other arrangement is untenable.

In cases where the denial of service is in regard to a prescription drug, the bill would require that the insurer provide the patient with the drug for the course of the appeal. This protects the patient by giving him or her access to needed medication and encourages the insurer to resolve the case quickly.

I have experienced denials which were presented in a less than clear manner. In one of these, it turned out that somehow the pharmacy benefits manager had somehow erroneously transcribed my date of birth. Even just straightening out this seemingly simple matter took a good amount of time and a number of phone calls. The reason for the denials was not initially made clear to me, and I have skills and resources that many of our constituents do not. I know of others, including Dina Berlyn in my office, who have faced even more complicated appeals and have not been able to acquire the complete records in their cases. This bill would do much to level the playing field on the issue of adverse determination reviews.

Again, thank you for raising this important bill which would assist patients in our healthcare system.